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TREASURER FONG ANNOUNCES \$123.8 MILLION IN CDLAC ALLOCATIONS

SACRAMENTO--State Treasurer Matt Fong today said families, business owners and students in California will benefit from \$123.8 million in tax-exempt private-activity bond allocations.

Treasurer Fong made the announcement following a meeting of the California Debt Limit Allocation Committee, which allocates funds for housing, industrial and student loan needs.

CDLAC today allotted \$69,675,000 for construction and renovation of multi-family rental housing units in Alameda, Contra Costa, Sonoma, Los Angeles and Ventura counties. In addition, \$14 million in industrial development bonds was granted to allow for the expansion of three manufacturing facilities which will create 331 new jobs. Student loan programs were funded with \$25 million, which will assist more than 3,550 students in the state.

"Financing approved by CDLAC will allow first-time home buyers throughout the state to obtain mortgages," said Fong, chairman of CDLAC. "The allocation will also allow California businesses to expand and create jobs and fuel the state's economic recovery. The state's future relies in part on a 'smart' workforce, and earmarking money for student loans is vitally important."

Each year, the federal government allows states to issue tax exempt bonds to create housing and finance projects that provide public benefits, such as the creation of new jobs. The year's federal allocation for California stands at \$1.57 billion.

Highlights for the first six months of 1996:

- \$1.1 billion allocated for housing construction for low to moderate income families, industrial development and student loans.
 - ⇒ More than 8,100 first time homebuyers obtained mortgages.
 - ⇒ \$60.8 million for 17 business, creating 1,365 new jobs.
 - ⇒ \$75 million allocated to the Student Loan program, assisting 16,050 college and university students.

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